



STRATEGIC  
*Hotels & Resorts*

903 Calle Amanecer  
Suite 100  
San Clemente, CA 92673  
(949) 369-4000

200 West Madison Street  
Suite 1700  
Chicago, IL 60606  
(312) 658-5000

**For Additional Information:**

Bryan Giglia  
Vice President – Corporate Finance  
Sunstone Hotel Investors, Inc.  
(949) 369-4236

Ryan Bowie  
Vice President and Treasurer  
Strategic Hotels & Resorts, Inc.  
(312) 658-5766

**SUNSTONE HOTEL INVESTORS AND STRATEGIC HOTELS & RESORTS PARTNER  
ON PURCHASING MANAGEMENT PLATFORM**

**San Clemente, Calif. / Chicago, Ill. (December 10, 2007) – Sunstone Hotel Investors, Inc. (NYSE: SHO) (“Sunstone”) and Strategic Hotels & Resorts, Inc. (NYSE: BEE) (“Strategic”)** announced today that they have entered into a partnership to own and operate BuyEfficient, an electronic purchasing platform that allows members to procure food, operating supplies, furniture, fixtures and equipment. Under the terms of the agreement, Strategic has acquired a fifty percent interest in BuyEfficient, LLC from Sunstone for a gross sales price of \$6.3 million.

Laurence Geller, President and Chief Executive Officer of Strategic commented, “We are pleased to embark on this creative, value adding partnership with Sunstone. BuyEfficient is a dynamic platform with great potential that reaches beyond the hospitality industry. The platform offers a unique opportunity to provide leading edge and highly efficient purchasing and related services to enhance the profitability of not only our own hotels and resorts, but to a growing membership base.”

Steven R. Goldman, President and Chief Executive Officer of Sunstone added, “BuyEfficient has proven itself as a premier procurement platform in the hospitality industry. Partnering with Strategic, with their unique portfolio of large, high-end properties, will help unlock the full potential of the platform. Through our combined industry relationships, we intend to aggressively grow BuyEfficient’s membership base and expand its range of service offerings.”

#### **About Sunstone Hotel Investors, Inc.**

Sunstone Hotel Investors, Inc. is a lodging real estate investment trust (REIT) that, as of the date hereof, has interests in 47 hotels with an aggregate of 16,447 rooms primarily in the upper-upscale segment operated under nationally recognized brands such as Marriott, Hyatt, Hilton, Starwood and Fairmont.

#### **About Strategic Hotels & Resorts, Inc.**

Strategic Hotels & Resorts, Inc. is a real estate investment trust (REIT) which owns and provides value-enhancing asset management of high-end hotels and resorts in the United States, Mexico and Europe. The company has ownership interests in 21 properties with an aggregate of 10,218 rooms. For a list of current properties and for further information, please visit the company’s website at [www.strategichotels.com](http://www.strategichotels.com).

#### **About BuyEfficient, LLC**

BuyEfficient, LLC, a jointly owned venture between Strategic Hotels & Resorts and Sunstone Hotel Investors, Inc., is an internet-based purchasing management platform. With more than 600 participating hotels and senior living members in the United States and Canada, BuyEfficient minimizes procurement costs by streamlining purchasing and accounting processes, leveraging its consolidated purchase volume, and passing 100% of the negotiated discounts, incentives and rebates back to its members.

*This press release contains forward-looking statements about Sunstone Hotel Investors and Strategic Hotels & Resorts (the “Companies”). Except for historical information, the matters discussed in this press release are forward-looking statements subject to certain risks and uncertainties. Actual results could differ materially from the Companies’ projections. Factors that may contribute to these differences include, but are not limited to the following: availability of capital; ability to obtain or refinance debt; rising interest rates; rising insurance premiums; cash available for capital expenditures; competition; economic conditions generally; marketing challenges associated with entering new lines of business; risks related to natural disasters; legislative or regulatory changes, including changes to laws governing the taxation of REITs; and changes in generally accepted accounting principles, policies and guidelines applicable to REITs.*

*Additional risks are discussed in the Companies’ current filings with the Securities and Exchange Commission. Although the Companies believe the expectations reflected in such forward-looking statements are based on reasonable assumptions, they can give no assurance that expectations will be attained. The forward-looking statements are made as of the date of this press release, and we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.*